



WSECU

November 18, 2004

To: National Credit Union Administration
Department of the Treasury Office of Comptroller of the Currency
Board of Governors of the Federal Reserve System
Department of the Treasury Office of Thrift Supervision

From: Washington State Employees Credit Union

Re: Comments on Regulation E and its Commentary

We appreciate the opportunity to respond to the Federal Reserve's request for public comment on proposed amendments to Regulation E.

Overall, we think that the proposed revisions will benefit consumers and help alleviate and address existing confusion regarding Regulation E transactions. The emphasis on thorough disclosure to account holders regarding the types of EFT transactions that are covered and clear and conspicuous notice requirements for merchants and other payee's who engage in ECK and ARC transactions are all favorable changes to consumers, which would enhance consumer education in this area and should be incorporated into the final revisions.

Electronic Check Conversion

We do have some concerns about the contents of disclosure requirements for merchants and or payees who engage in electronic check conversion transactions. While we think it would be helpful to consumers, we don't feel this is a practical or reasonable requirement for merchants to make a determination or disclosure regarding the speed by which the consumer's account may be debited or notifying the consumer that their check would not be returned by their financial institution. We feel that much of the education to consumers regarding these types of transactions should be the responsibility of the financial institution with their own account holder.

Error Resolution

We agree with the proposed revision and believe it is reasonable to expect the Financial Institution should exhaust their review of all internal records when responding to alleged error's regarding consumer's Regulation E transactions.

Thank you again for the opportunity to review and comment. We appreciate the chance to contribute toward a final product that best serves the institutions and their members.